

1 year is having our senior managers go onboard  
2 to promulgate best practices and the  
3 expectations of our company; that will be  
4 limited to just the environment, it will also  
5 be limited to safety fee issues as well. So,  
6 we're doing a lot of work in promoting our  
7 company's expectations, policies with our  
8 seafarers, just changing culture takes time.

9 SPECIAL MASTER BUNDY: I suppose the  
10 special audits are part of that effort as  
11 well?

12 MS. TSOCHLAS: Well, internal audits are  
13 to see that we -- our procedures and our  
14 requirements are being properly implemented  
15 onboard and to identify areas of weakness and  
16 then identify areas of improvement as well.

17 SPECIAL MASTER BUNDY: In the link that  
18 you provided on the internal audit,  
19 nonconformities, in the first page that I've  
20 got, there was some nonconformities listed  
21 with no vessel, I think. Maybe it was --  
22 maybe that's all part of the Estia.

23 MS. TSOCHLAS: Yes, there were two  
24 vessels audited since July. The agenda  
25 requested for the results of audits since

1 July. So, our audits are carried out  
2 annually, so the other four vessels have been  
3 carried out by July and we had discussed  
4 them, the results, in the July hearing, two  
5 of the vessels were carried out since July.  
6 A number of the nonconformities were  
7 identified on the Estia.

8 SPECIAL MASTER BUNDY: I see.

9 MS. TSOCHLAS: As you have observed as  
10 well.

11 We try to carry out very far internal  
12 audits, because it's important for us to find  
13 out where our problems are and record our  
14 problem in order to be able to improve them,  
15 so, we do have strict -- we have a strict  
16 auditing process.

17 SPECIAL MASTER BUNDY: I noticed that on  
18 the Estia, on the last non-conformity, had to  
19 do with the oil record book, and I think you  
20 mentioned that earlier when describing the  
21 problems with the chief engineer and his --

22 MS. TSOCHLAS: Yes. When our  
23 superintendent went onboard to carry out the  
24 audit, he discovered that there were some  
25 issues to do with the maintenance of the oil

1 record book and we had a superintendent  
2 engineer then board the vessel in order to  
3 address those issues in an effort to improve  
4 the chief engineer's performance.

5 SPECIAL MASTER BUNDY: What plans -- was  
6 there any formal plan put in place, a  
7 performance improvement plan, which is a  
8 commonly used term, I think, for the chief  
9 engineer? I noticed that it was discussed  
10 with him, but did you have any specific plan  
11 in place for him before -- and then,  
12 obviously, then when Captain Joshi went  
13 onboard, the problem, apparently, had  
14 continued.

15 MS. TSOCHLAS: The issue as mentioned  
16 was discussed with the chief engineer, then a  
17 superintendent engineer boarded the vessel in  
18 order to discuss further and carry out  
19 further training with the super -- with the  
20 chief engineer, and then we monitored his  
21 performance. A few weeks after that, it  
22 wasn't much time after that, the audit was  
23 carried out by captain Joshi, and then we saw  
24 that the problem is continuing. So, our plan  
25 now is to repatriate him and carry out

1 training ashore. The training that will be  
2 carried out ashore will be a combination of  
3 sending him to an external organization in  
4 Piraeus, which carries out an oil record book  
5 seminar and in-house training seminar that  
6 will be carried out by our superintendent  
7 engineers.

8 SPECIAL MASTER BUNDY: Any other  
9 questions?

10 MR. CHALOS: No.

11 MR. O'CONNELL: I had one question.

12 SPECIAL MASTER BUNDY: Yes.

13 MR. O'CONNELL: On the scheduled audits,  
14 it looks like you do eight internal audits  
15 once a year, do you find that effective?  
16 Have you considered doing them more  
17 frequently?

18 MS. TSOCHLAS: I didn't hear you  
19 properly.

20 MR. O'CONNELL: Like I said, do you find  
21 that effective or do you give any  
22 consideration to doing internal audits more  
23 frequently?

24 MS. TSOCHLAS: We have the requirement  
25 for a special audit to be carried out once a

1 year. We have -- attendance is carried out  
2 twice per year, so that means the vessel is  
3 visited by our superintendents three times a  
4 year.

5 MR. O'CONNELL: And what's the  
6 difference?

7 MS. TSOCHLAS: The combination of those,  
8 I think, provides adequate monitoring of the  
9 vessel.

10 MR. O'CONNELL: And what's the  
11 difference between attendance and an audit?

12 MS. TSOCHLAS: The audit -- the auditor  
13 will focus on the implementation of  
14 procedures, and in this case environmental  
15 audits he will focus on the implementation of  
16 environmental procedures, that may be carried  
17 out while the vessel is in port. It's a much  
18 shorter time. During attendance, the  
19 superintendent has to ride with the vessel  
20 and he will cover all areas of the vessel,  
21 safety, navigation, the environment, and he  
22 will insure that the procedures are being  
23 properly implemented and the standard of the  
24 vessel is being maintained to the company's  
25 requirements. So, attendances are actually

1 more -- there's more scrutiny when it comes  
2 to attendances.

3 MR. WIGGER: Krystyna, are the  
4 environmental audits conducted in conjunction  
5 with the ISM audits, or are the ISM audits a  
6 separate visit?

7 MS. TSOCHLAS: It depends on when they  
8 are due, because we carry out ISM and ISPF  
9 audits once per year as well. Of course, we  
10 try to have them carried out together at the  
11 same time, but it's not necessarily that way.  
12 It also depends on the time constraints. If  
13 the auditor is attending the vessel only for  
14 the port of call, he will carry out only one  
15 of the three audits.

16 MR. WIGGER: Your question about, is an  
17 annual audit the ISM code, they require an  
18 annual audit, which is pretty much the  
19 standard that's acceptable, I guess, to  
20 monitor performance for, you know, for the  
21 safety, and under the ISM code there's  
22 environmental areas, too, to be looked at.

23 MR. O'CONNELL: Yeah, and that's one of  
24 the reasons I asked the question. In every  
25 one of these cases, everybody has an ISM

1 audit and a lot of times violations are found  
2 in those audits.

3 MR. CHALOS: But I think what Miss  
4 Tsochlas --

5 MS. TSOCHLAS: Between the attendance  
6 and various audits, a number of areas are  
7 overlapped. So, we have at least --  
8 basically, the vessel is vetted three times a  
9 year.

10 SPECIAL MASTER BUNDY: I've got a  
11 question that's a little off topic, but that  
12 was raised to me, and that is, the seafarers  
13 that were onboard the Kriton that were either  
14 involved in the violation itself or were the  
15 people that testified, are they still working  
16 for the company?

17 MS. TSOCHLAS: No.

18 SPECIAL MASTER BUNDY: None of them?

19 MS. TSOCHLAS: No, none of them.

20 MR. O'CONNELL: Does that include the  
21 mariners that brought the issue to light as  
22 well as the individuals that were involved in  
23 actually, you know, discharging?

24 MS. TSOCHLAS: The individuals that were  
25 involved in the discharging are not

1 rehirable. The seafarer that brought the  
2 issue to light has never come back to be  
3 employed by us.

4 SPECIAL MASTER BUNDY: Weren't there  
5 more than one so-called whistle-blowers or  
6 people that brought the issue to light? You  
7 mentioned that the one individual, I thought  
8 there was more than one. I might be wrong on  
9 that.

10 MR. CHALOS: I can't recall. I think  
11 only one got a reward.

12 MS. TSOCHLAS: From what I understood,  
13 because I wasn't working for the company at  
14 the time, but the documentation that I've  
15 read, the electrician was the seafarer that  
16 brought the issue to light.

17 SPECIAL MASTER BUNDY: Right. And then  
18 there were --

19 MS. TSOCHLAS: There were other  
20 seafarers who were involved in the  
21 discharging and who had testified that they  
22 were involved with the discharging.

23 SPECIAL MASTER BUNDY: Okay. Is that  
24 your recollection, Mr. Chalos?

25 MR. CHALOS: I'm trying to remember. I

1 think -- I don't remember if it was one or  
2 two people that got rewards.

3 MR. O'CONNELL: Yeah, I don't remember  
4 because I wasn't that closely involved when  
5 it came to light.

6 MR. CHALOS: But certainly the  
7 electrician asked and got a reward, and he's  
8 never been back trying to get a job with this  
9 company.

10 SPECIAL MASTER BUNDY: A number of these  
11 seafarers, as I was required to read the  
12 transcript, and I did, were represented by  
13 counsel, and a question that was raised to me  
14 was whether or not these guys had all made  
15 applications for a reward or a dissolution  
16 part of the finding and whether motions had  
17 been made in that regard or what. Maybe you  
18 have a recollection.

19 MR. CHALOS: Yeah, there was at least  
20 one motion made, there may have been more  
21 motions, but I think whoever applied for a  
22 reward got the reward. I mean, there was no  
23 opposition to the reward being given.

24 What do you recall about that?

25 MR. KARAGIORGIS: You know, I remember

1 that there was the primary whistle-blower was  
2 the electrician and there were two, I  
3 believe, two other individuals who stayed in  
4 the same hotel room with him, so I'm just  
5 kind of guessing back that I think there may  
6 have been two other guys who were sort of  
7 cooperating with him. Whether or not they  
8 made an application for a whistle-blower, I  
9 don't remember.

10 SPECIAL MASTER BUNDY: And those two  
11 other guys, they're not employed by the  
12 company anymore? Do you remember who they  
13 were?

14 MR. CHALOS: I don't remember offhand.  
15 But they haven't applied to be reinstated,  
16 have they?

17 MS. TSOCHLAS: No, they haven't. None  
18 of the seafarers that were involved in the  
19 issue and who were detained by the  
20 authorities have applied for reemployment.

21 SPECIAL MASTER BUNDY: So, they worked  
22 out their contract, it sounds, mostly by  
23 being in custody here, and after the  
24 completion of their contract, they were  
25 repatriated and they never applied back --

1 MS. TSOCHLAS: And they never came back  
2 to us.

3 MR. NORTON: Their contract required  
4 that they be kept up at a hotel.

5 SPECIAL MASTER BUNDY: I'm not  
6 suggesting they were in custody or anything.

7 MR. CHALOS: They were here a long time.

8 SPECIAL MASTER BUNDY: They were here a  
9 long time and their contract came to an end,  
10 and they never reapplied for another  
11 contract. I think that's what I'm hearing.

12 MS. TSOCHLAS: Exactly.

13 MR. CHALOS: Except the ones that were  
14 actually involved in the wrongdoing, they  
15 wouldn't have been rehired, in any event.

16 SPECIAL MASTER BUNDY: Right. But they  
17 wouldn't have --

18 MS. TSOCHLAS: None of the seafarers  
19 applied for a contract. The seafarers that  
20 were directly involved with the discharging  
21 were in the status of rehirable, but we  
22 haven't actually acted on that status,  
23 because none of the seafarers had reapplied.

24 SPECIAL MASTER BUNDY: But the ones that  
25 were not actively involved in the

1 discharging, they would be considered for  
2 reemployment if they reapplied.

3 MS. TSOCHLAS: They may be considered  
4 because they have -- they're whistle-blowers,  
5 but because we have a non-retaliation policy,  
6 they would be considered.

7 SPECIAL MASTER BUNDY: Switching topics  
8 now, if there's nothing more on the internal  
9 audit. Just one small thing. Apparently, I  
10 misunderstood the Antwerp incident aboard the  
11 Kriton about what the problem was. I thought  
12 that the problem was the ODME piping went  
13 through the fuel tank and corroded and then  
14 leaked fuel. Was I wrong about that?

15 MR. KARAGIORGIS: No, no, no, correct.

16 MS. TSOCHLAS: You were correct about  
17 that, but it was the starboard fuel tank.  
18 The onboard piping passed through the  
19 starboard fuel tank. We've replaced that  
20 piping in full, so it's a new pipe and it's  
21 not a concern, it's not because it was new  
22 and in good condition. Our concern is the  
23 port fuel pipe that has ballast piping that  
24 passes through and it's an old piece of  
25 piping and it's in danger of corrosion and

1 holding, so that's why we arranged at the  
2 first opportunity for our superintendent  
3 engineer to enter the tank and inspect the  
4 piping.

5 SPECIAL MASTER BUNDY: And that  
6 occurred?

7 MS. TSOCHLAS: That was in November in  
8 West Africa.

9 SPECIAL MASTER BUNDY: Yeah, I see the  
10 link to the inspection report, right.

11 MS. TSOCHLAS: Because the piping is on  
12 one side of the vessel, it's not symmetric.  
13 there aren't two pieces of piping.

14 SPECIAL MASTER BUNDY: The next topic  
15 was the issue of the onboard flexible hose  
16 inventory. I think I understand what you've  
17 stated there, and so I just -- you know,  
18 Captain Wigger, if you need further  
19 clarification or if the Government needs  
20 further clarification about that issue, we  
21 can address it, otherwise we can move on.

22 MR. WIGGER: I don't have any issues.

23 SPECIAL MASTER BUNDY: Mr. O'Connell or  
24 Lieutenant Commander Burgess?

25 MR. BURGESS: No.

1 MR. O'CONNELL: Is that a requirement  
2 that Ionia did on their own, or is that a  
3 requirement for the Special Master hearing,  
4 the flexible hoses?

5 SPECIAL MASTER BUNDY: That came up  
6 initially in an audit of the Fidias, I  
7 believe.

8 MR. WIGGER: That was something that I  
9 think we recommended as part of the audit in  
10 order to protect and account for any hoses in  
11 the engine room and, as a result, Ionia  
12 implemented that as part of their EMS, it  
13 wasn't a specific requirement of the scope of  
14 work.

15 MR. O'CONNELL: That's what I thought.  
16 I just wanted to make sure.

17 SPECIAL MASTER BUNDY: And as to the EPA  
18 vessel general permit and the oil transfer  
19 procedures, it sounds like the responses are  
20 complete, any further questions on that by  
21 anybody?

22 Miss Tsochlas, how are you doing? Do  
23 you want to take a break?

24 MS. TSOCHLAS: I'm fine.

25 SPECIAL MASTER BUNDY: Because the next

1       topic is the Estia audit. I guess I would  
2       welcome questions or comments from Ionia or  
3       from Captain Wigger, or the Government on any  
4       particular issue that was raised on the  
5       recommendations made by the auditor rather  
6       than us go through each one seriatim, if we  
7       wanted to take a break for a few minutes and  
8       review it so that we can focus our questions,  
9       maybe that would be a good idea.

10           It's what? Five minutes to one.

11           What time is it in Greece?

12           MS. TSOCHLAS: It's eight o'clock.

13           SPECIAL MASTER BUNDY: Why don't we take  
14       a five minute break, we'll come back and be  
15       prepared to address the Estia audit. And the  
16       question about the application for the Estia  
17       to be permitted to trade with the U.S. and  
18       see where we are on that and what might  
19       additionally reasonably be required or what  
20       has already been done that would allow that  
21       to happen where we stand on that issue.

22           Okay. Let's go off the record for five  
23       or 10 minutes and everybody can take a  
24       personal break.

25                       (Whereupon, a recess was

1 held.)

2 SPECIAL MASTER BUNDY: I think that the  
3 question of the Estia audit is one that we  
4 ought to take a good, close look at, because  
5 I think that's particularly important, and  
6 so, I don't know whether it would be best --  
7 and, of course, the things that are most  
8 important are the recommendations seeking a  
9 response -- or observations with  
10 recommendations, I should say, and Ionia's  
11 response.

12 So, I think it might be productive,  
13 despite what I said before, to just go  
14 through those one by one, and we could figure  
15 out if there's substantial agreement on the  
16 observation and whether the recommendations  
17 have been addressed, or if there's  
18 disagreement about whether they should be,  
19 but I just want to make sure that we have a  
20 good, complete record on all of those issues.

21 So, let's see, the first question was  
22 the sounding log question and it sounds from  
23 reading the response that Ionia has taken  
24 corrective action on that, and is there  
25 anyone that believes that they should take

1 additional corrective action or they just  
2 have questions about the nature of the action  
3 that was taken?

4 MR. CHALOS: I'm looking at slide 80.

5 SPECIAL MASTER BUNDY: Which shows what  
6 steps have been taken. And then if we go on  
7 to slide 81, which is the observation  
8 regarding the ODMEs, does anybody have any  
9 further observations or questions about that?

10 MR. O'CONNELL: I have a couple of  
11 questions.

12 Was the ODME used prior to the discovery  
13 of the malfunction?

14 MR. WIGGER: No.

15 MS. TSOCHLAS: Pardon?

16 MR. O'CONNELL: Was that ODME used prior  
17 to the discovery of the malfunction?

18 MS. TSOCHLAS: The ODME, we require the  
19 ODME to be tested on a monthly basis. During  
20 the routine test of the ODME, there was a  
21 malfunction of the ODME. We followed all the  
22 procedures and the requirements, as we should  
23 have, to the letter, we informed the  
24 classification society, who, in turn,  
25 informed the flag administration and we

1 ordered the necessary spare parts in order to  
2 be replaced in order for the ODME to be made  
3 functional again. The ODME was repaired in  
4 Antwerp on the 17th of December, and I've  
5 attached the technician's report who ordered  
6 to carry out the repair as well as the  
7 reinstatement of the IME, which was  
8 reinstated once the classification society  
9 had attested the satisfactory function of the  
10 ODME.

11 MR. O'CONNELL: Is the ODME used  
12 regularly on that vessel? When you were  
13 onboard, did you look at the oil record book  
14 to see if it was used?

15 MR. WIGGER: We do. I was not the one  
16 that did the audit, but it really is only  
17 used if they have an at-sea discharge in  
18 their slop tank. And, generally, most ships  
19 are not discharging slops at sea and Ionia  
20 has not probably used the ODME.

21 MR. KARAGIORGIS: Also --

22 MS. TSOCHLAS: We use it very  
23 infrequently. Infrequently.

24 MR. WIGGER: And I'm trying to think if  
25 the audit report mentioned the last time the

1 ODME was issued, but, more often than not,  
2 when we reviewed the -- there's actually two  
3 oil record books, you have the machinery and  
4 then you have the cargo oil record book, and  
5 you very seldom see, at least of late anyway,  
6 entries for the use of the ODME discharge or  
7 slops.

8 MR. O'CONNELL: I just asked the  
9 question, because when I looked at the  
10 Plutos, that was in there, they said they  
11 don't use it. There was a similar statement.

12 The service report that was provided.

13 MS. TSOCHLAS: Sorry, I didn't hear you.

14 MR. O'CONNELL: The service report that  
15 was provided by Asmitech Limited. One of the  
16 last lines, P.S. the flow meter's probe  
17 valves are found closed and left them that  
18 way, the normal operation, both of them  
19 should be open.

20 MR. WIGGER: On the flow meter, normally  
21 there's a seal on the flow meter, too, in the  
22 open position. Right?

23 MR. KARAGIORGIS: Yes.

24 MR. WIGGER: So, it should be --

25 MR. KARAGIORGIS: Because the flow meter

1 is read discharging the slop, and this is --

2 COURT REPORTER: Could you start again?

3 MR. KARAGIORGIS: Because the flow meter  
4 is read, the discharging quantity to the  
5 outside, discharging quantity of the slop  
6 water outside. So, those valves in operation  
7 are open.

8 MR. CHALOS: The point you're making is  
9 if they're not being used, they should be  
10 closed?

11 MR. KARAGIORGIS: Yes.

12 MR. WIGGER: But for operation, they  
13 need to be opened, otherwise they read.

14 Now, again, I didn't do the audit on  
15 this one, but many times when we see the ODME  
16 and we look at the valves, sometimes is  
17 there -- is there a seal on the flow valve,  
18 is it sealed in the open position?

19 MR. KARAGIORGIS: No, no. There's no  
20 seal on the flow meter. There is no seal on  
21 flow meter.

22 MR. WIGGER: And that's not required,  
23 but some vessels have done that, they  
24 actually put seals on the connections for the  
25 sampling as well as the flow meter, but

1       that's why I asked if there was a seal,  
2       but --

3               MR. KARAGIORGIS: The vessel was empty  
4       at that time, so there's no reason to put  
5       seals on this flow meter. Also, make sure  
6       that and make clear that in case that the  
7       ODME is not fully operational, you are not --  
8       you are not able to discuss any quantity to  
9       the seal because if the flow meter reads  
10      zero, values cannot open the report.

11             MR. CHALOS: If it reads zero, you  
12      cannot open.

13             MR. KARAGIORGIS: It's automatic, you  
14      cannot override it. So, each case that the  
15      flow meter reads zero discharging, close the  
16      overflow valve and not allow it to open.

17             MR. WIGGER: Right. You can't discharge  
18      the ODME with the flow meter closed?

19             MR. KARAGIORGIS: Yes, without the flow  
20      meter.

21             MR. WIGGER: It has to be opened to  
22      discharge.

23             So, your question is, is it significant?

24             MR. O'CONNELL: Well, I guess, my  
25      question would be, is the ODME being -- was

1 it being used prior to this? That should be  
2 easy to find out. It should be logged in the  
3 record book.

4 MR. WIGGER: It would be in the record  
5 books?

6 MR. KARAGIORGIS: If it is required, we  
7 can trace all information and provide it to  
8 you.

9 MR. WIGGER: You can provide all of that  
10 information?

11 MR. KARAGIORGIS: But as far as I know,  
12 the last year never did they use the ODME.

13 MR. WIGGER: Which service report are  
14 you looking at?

15 MR. O'CONNELL: This one. My question  
16 is just stemming from the fact that it should  
17 be open to operate properly.

18 MR. WIGGER: Normal operation, both of  
19 these valves should be open.

20 MS. TSOCHLAS: And the ODME is not able  
21 to operate unless they are open.

22 MR. O'CONNELL: Correct.

23 MR. WIGGER: But it is a valve that you  
24 open and close.

25 MR. O'CONNELL: I don't have any further

1 questions.

2 SPECIAL MASTER BUNDY: The next question  
3 is about the flexible hose inventory.

4 Was that handled to your satisfaction?

5 MR. WIGGER: Yes. The only -- the issue  
6 we normally have with the flexible hoses  
7 inventory is that the hoses are inventoried  
8 normally, they're tagged, they're identified,  
9 and there's accountability as far as the  
10 hoses in their use. The area that we find  
11 deficient is the control of the hoses. In  
12 other words, are they -- are they locked up,  
13 are they in a caged area, can someone have  
14 access to them without the chief engineer's  
15 knowledge or, you know, without  
16 accountability? So, from that aspect,  
17 there's sometimes issues. Now, the finding  
18 by Captain Joshi was -- let's see, recommend  
19 the hoses be identified, if numbered,  
20 diameter and purpose of use on the label to  
21 insure they are properly controlled and  
22 accounted for and the inventory list posted  
23 at the location, and then the response is  
24 that all of that is recorded and the  
25 procedure has been revised and required that

1 the above information on the tags as  
2 recommended by the author.

3 So, I guess it technically complies with  
4 Captain Joshi's recommendation, but the next  
5 audit may again look at that and say, well,  
6 okay, you've done that, but how are you  
7 controlling the hoses, so that might be  
8 something further that Ionia should look at.  
9 Again, not knowing, not having been on that  
10 ship, but to understand how they're actually  
11 being controlled and issued for use.

12 MS. TSOCHLAS: In the previous item on  
13 the agenda, the issue of securing the hoses  
14 has been addressed. We've changed -- we've  
15 amended our procedure and we have now a  
16 requirement in place where all flexible hoses  
17 that are not for safety purposes, obviously,  
18 are to be secured. So, they are locked away  
19 and the chief officer has custody of access  
20 to where the flexible hoses have been secured  
21 and permission has to be requested from the  
22 chief officer for those flexible hoses to be  
23 used.

24 MR. WIGGER: That, you know, is more  
25 than meets the requirement.

1 MR. CHALOS: And its all part of their  
2 environmental compliance program.

3 MS. TSOCHLAS: We amended the procedure  
4 in the program to include the security.

5 SPECIAL MASTER BUNDY: And when you  
6 amend procedures such as this, how are the  
7 seafarers notified of that?

8 MS. TSOCHLAS: Well, we amend the  
9 procedure in the environmental management  
10 plan and then we send the revised procedures  
11 onboard and request the vessels to confirm  
12 that if they have implemented those revised  
13 procedures, then we make sure that all the  
14 superintendents that board our vessels are  
15 also made aware of those procedures, and when  
16 they go onboard to carry out an order or an  
17 audit, they advise whether those procedures  
18 have been implemented.

19 SPECIAL MASTER BUNDY: We talked about  
20 the training issue already, I don't think we  
21 need to deal with that anymore.

22 I was confused about the forms that were  
23 described about the daily checks of the  
24 enviro-logger, a recommendation of a five --

25 MS. TSOCHLAS: First of all, Captain

1 Joshi mentioned the environmental form number  
2 24. We didn't have an environmental form  
3 number 24, he was referring to number 23,  
4 which is the SWOMS checklist.

5 SPECIAL MASTER BUNDY: Okay.

6 MS. TSOCHLAS: That's why in my response  
7 I refer to the form 23.

8 SPECIAL MASTER BUNDY: And in looking  
9 at -- we have that up on the Powerpoint now,  
10 slide number 90, and in looking at it, I  
11 think it would probably be helpful if we went  
12 through in a little more detail.

13 Now, the SWOMS unit was commissioned on  
14 the 9th of November on the Estia. Form 23  
15 requires comparison of the manual soundings  
16 and the SWOMS soundings on a monthly basis.  
17 And I think that it would be helpful for us  
18 to go back and see how you used the SWOMS  
19 data and in what kind of forms that you use  
20 it. When you say are compared on a monthly  
21 basis, exactly what is compared and how is it  
22 compared?

23 MS. TSOCHLAS: First of all, the SWOMS  
24 checklist is used by the chief engineer  
25 onboard. That checklist has daily checks,

1 weekly checks, and monthly checks, the daily  
2 checks -- because the SWOMS cannot -- he has  
3 no intervention with the SWOMS unit, he can  
4 only check it externally. The chief engineer  
5 checks that the unit is functioning and  
6 printing as it should be on a daily basis and  
7 he carries out a cursory check that the  
8 manual soundings are in agreement with the  
9 soundings that are being recorded by the  
10 SWOMS on a daily basis. On a monthly basis,  
11 he records that comparison -- he records the  
12 comparison. This is done by the chief  
13 engineer. On the other hand at the office,  
14 all of this data is sent to the company on a  
15 monthly basis and we carry out the daily  
16 comparison of the manual soundings with the  
17 SWOMS readings.

18 SPECIAL MASTER BUNDY: But I do that a  
19 month after they actually occur. So, on the  
20 1st of August, SWOMS data is logged by the  
21 enviro-logger, presumably what you're saying  
22 is the chief engineer will look at that data  
23 on that day and compare it with any soundings  
24 that occur?

25 MS. TSOCHLAS: Well, he does, but he is

1 required to check off that he has carried out  
2 that action on a daily basis.

3 SPECIAL MASTER BUNDY: Did you provide  
4 us with a copy of the SWOMS checklist?

5 MS. TSOCHLAS: No, I didn't. I'm sorry.

6 MR. KARAGIORGIS: Sorry. We didn't.

7 Krystyna, officer chief engineer  
8 provided with instruction to provide the  
9 maximum discrepancy of the manual between  
10 manual soundings and environmental readings.  
11 So, chief engineer everyday takes out, okay,  
12 and it has also the printout of the SWOMS, at  
13 the end of the month he reports the maximum  
14 discrepancy between manual soundings and  
15 enviro-log readings. So, that is not only at  
16 the end of the month I have only one could be  
17 a little difference, I send this to the  
18 office. Okay. So, report the maximum  
19 discrepancy between manual readings and SWOMS  
20 readings.

21 SPECIAL MASTER BUNDY: The SWOMS  
22 checklist that the chief engineer fills out,  
23 does he do that everyday?

24 MR. KARAGIORGIS: Yes, there are daily,  
25 weekly, and monthly reports.

1           MR. WIGGER: But the observation in this  
2 case went beyond recommendation for  
3 consideration that since the data is  
4 available, why not record it? Because right  
5 now you're saying he's sort of checking  
6 something.

7           MR. KARAGIORGIS: Yeah.

8           MR. WIGGER: I guess I'm not really  
9 100 percent sure if the response was  
10 responsive, except for the fact that the form  
11 was developed and it is what it is and it  
12 doesn't require daily, so, you've met the --  
13 you're responsive to the observation in the  
14 sense that you considered it, but you don't  
15 think it's necessary to record on a daily  
16 basis.

17           MS. TSOCHLAS: We have characterized the  
18 SWOMS unit as a critical piece of equipment.  
19 In the event that we have a large  
20 discrepancy, that's considered a defect. Any  
21 critical equipment that is defective has to  
22 be -- the seafarers have to report it  
23 immediately to the company. So, we have a  
24 process in place for that.

25           If the chief engineer suspects on a

1 daily basis that the readings aren't in line,  
2 in the event that he finds there's a large  
3 discrepancy, he will have to notify the  
4 technical manager of the company.

5 SPECIAL MASTER BUNDY: What's the  
6 definition of a large discrepancy?

7 MS. TSOCHLAS: Well, the maker considers  
8 an acceptable tolerance of five percent. So,  
9 over five percent discrepancy is considered  
10 an alarming discrepancy.

11 SPECIAL MASTER BUNDY: The way things  
12 are now, if the chief engineer on, let's say,  
13 August 10 notices a discrepancy of more than  
14 five percent between his manual sounding and  
15 the enviro-logger, what does he do?

16 MS. TSOCHLAS: He's required to complete  
17 a defect report and send that to the company.

18 SPECIAL MASTER BUNDY: Immediately?

19 MS. TSOCHLAS: Sorry?

20 SPECIAL MASTER BUNDY: Immediately?  
21 Right away?

22 MS. TSOCHLAS: Yes. All defects to  
23 critical equipment have to be reported  
24 immediately, and we've included the SWOMS in  
25 the list of critical equipment available

1 onboard.

2 SPECIAL MASTER BUNDY: If -- what the  
3 chief engineer looks at everyday from the  
4 enviro-logger, is that a printed out piece of  
5 paper, or is it displayed on a screen?

6 MS. TSOCHLAS: It's a printout. There's  
7 a ribbon and you can see the printout of the  
8 day.

9 SPECIAL MASTER BUNDY: Is there any  
10 reason that those printouts could not simply  
11 be maintained?

12 MS. TSOCHLAS: All of the printouts are  
13 maintained.

14 SPECIAL MASTER BUNDY: All of the  
15 printouts are maintained by the vessel?

16 MS. TSOCHLAS: And we maintain all the  
17 printouts for three years. So, any vessel  
18 you go on now will have all the printouts  
19 generated from the time of the installation  
20 of the SWOMS.

21 MR. WIGGER: And at the end of the  
22 month, you can go back and -- of course,  
23 those are transmitted at the end of the  
24 month -- or, actually, daily.

25 MR. KARAGIORGIS: Daily.

1 MR. WIGGER: But then you can go back  
2 and compare the soundings to the -- well, you  
3 don't.

4 SPECIAL MASTER BUNDY: I guess I'm  
5 getting confused, because if the  
6 enviro-logger prints out everyday a sheet for  
7 the chief engineer, which is maintained,  
8 which describes the -- what is on that  
9 printout, is it just the 00GMT sounding?

10 MR. KARAGIORGIS: No.

11 MS. TSOCHLAS: Exactly. It's exactly --  
12 the printout is exactly the same as what is  
13 transmitted to the company, the report that  
14 is transmitted to the company. It's an 00GMT  
15 report that's generated, which shows the time  
16 sounding levels, the oily water separator  
17 operation, and the incinerator operation.

18 SPECIAL MASTER BUNDY: So, what would  
19 the chief engineer compare the enviro-logger  
20 to, the manual sounding that occurred in  
21 time --

22 MS. TSOCHLAS: The manual soundings,  
23 yes. Everyday he compares the manual  
24 soundings with the printouts on the  
25 enviro-logger.

1 MR. KARAGIORGIS: At that time. At the  
2 same time.

3 SPECIAL MASTER BUNDY: Well, but the  
4 manual sounding isn't done at 00GMT.

5 MR. KARAGIORGIS: Yes.

6 SPECIAL MASTER BUNDY: So, it could be  
7 done as much as 12 hours or 24 hours --

8 MS. TSOCHLAS: He'll do the same thing  
9 that we do, he'll check that there's the  
10 minimum/maximum in line. If there's a big  
11 difference, the chief engineer is capable of  
12 printing out a report in order to obtain  
13 those readings at that time. The actual  
14 readings at the time.

15 SPECIAL MASTER BUNDY: At the time of  
16 what? At the time of the manuals?

17 MS. TSOCHLAS: At the time that he's  
18 carrying out the manual soundings.

19 MR. WIGGER: So, he can query the system  
20 at the time that he's carrying out the manual  
21 soundings and see if it's in alignment with  
22 the manual soundings less than five percent  
23 and he could print that out, or he could  
24 choose not to print it out. Okay? Whatever.  
25 Now by not printing it out, you don't have

1 the record that an auditor can go back and  
2 look at, and what Captain Joshi's point was,  
3 why not, since that data is available and  
4 he's looking at it, why not write it down on  
5 that form and that way you have a record, so  
6 if there is a discrepancy -- as you point  
7 out, if it's more than five percent, he's  
8 required to notify the company, but from an  
9 auditor point of view, what if it is more  
10 than five percent and he doesn't notify the  
11 company? The data is not there to look at.

12 So, you know, again, when you do any  
13 audit, if it's not documented, how can you  
14 check it?

15 SPECIAL MASTER BUNDY: I have another  
16 question --

17 MS. TSOCHLAS: It is documented because  
18 the chief engineer will have a printout and  
19 he will mark on the daily checklist that he's  
20 carried out that comparison.

21 I think what Captain Joshi wants to see  
22 was the actual calculation.

23 MR. WIGGER: Well, that was a question,  
24 I guess. When the manual sounding is taken  
25 and the SWOMS is queried, is it required they

1 print that out from the SWOMS?

2 MS. TSOCHLAS: Well, as you said, in  
3 order for him to check that it's in line, he  
4 has to.

5 MR. WIGGER: He has to print it? I  
6 thought there was a digital read on that, no?

7 MR. KARAGIORGIS: There is also a --

8 MR. WIGGER: There's a digital read that  
9 he can look at but not print it?

10 MS. TSOCHLAS: Yes.

11 SPECIAL MASTER BUNDY: But if he prints  
12 it, then that could be preserved --

13 MS. TSOCHLAS: All the printouts are  
14 preserved.

15 SPECIAL MASTER BUNDY: So, let's see if  
16 I'm right. Let's suppose on January 13th,  
17 tomorrow, the chief -- the tanks are sounded  
18 manually, he gets his readings, he then will  
19 go to the enviro-logo and printout the  
20 enviro-logger readings at that time and  
21 compare them?

22 MS. TSOCHLAS: Exactly. Unless there  
23 haven't been any changes in the engine room  
24 since the readings were carried out by the  
25 automatic report.

1 SPECIAL MASTER BUNDY: By changes in the  
2 engine room, you mean any tank transfers?

3 MS. TSOCHLAS: Any transfer of the oil  
4 residue. There is a chance that they will  
5 coincide. It depends on where the vessel is  
6 and what the vessel is doing. But he has to  
7 be able to make sure that the SWOMS readings  
8 are in line with the tank -- with the manual  
9 readings. If there's a big difference in  
10 time or there's been changes in the engine  
11 room starters in the time between the manual  
12 room readings and the SWOMS reading, he will  
13 generate a report and will cross-check it,  
14 and then he will complete on the checklist  
15 that he has carried out that comparison.

16 SPECIAL MASTER BUNDY: I see. But in  
17 order to do the comparison, he prints out the  
18 enviro-logger data.

19 THE WITNESS: Yes.

20 SPECIAL MASTER BUNDY: And he preserves  
21 that now?

22 MS. TSOCHLAS: It has to be preserve  
23 because the right of the company is that all  
24 the enviro-logger printouts will be preserved  
25 for three years on the vessel.

1           SPECIAL MASTER BUNDY: So, when Captain  
2 Joshi went onboard what he should have been  
3 able to find was everyday, or close to  
4 everyday, there would be his manual -- a log  
5 of the manual soundings and an enviro-logger  
6 printout about the same time that the chief  
7 engineer used to do the comparison?

8           MS. TSOCHLAS: Yes. But you have to  
9 keep in mind that it's a paper ribbon, so  
10 when the printouts are removed from the unit,  
11 at the end of the paper ribbon, when they  
12 replace the ribbon. Like a cashier.

13          SPECIAL MASTER BUNDY: Right.

14          So, when he goes to the enviro-logger  
15 machine, he will just take a look at that  
16 printout -- that part of the ribbon as it  
17 comes out, but, nonetheless, when they change  
18 the ribbon, that whole ribbon is preserved,  
19 and it has the date and the time on it of the  
20 printout?

21          MS. TSOCHLAS: Exactly. And that's why  
22 I think captain Joshi considered for auditing  
23 purposes it would be easier if we included  
24 all of the daily comparison calculation.

25          MR. WIGGER: So, you're getting two

1 printouts a day then?

2 MS. TSOCHLAS: Yes.

3 SPECIAL MASTER BUNDY: So it  
4 automatically prints out at 00GMT --

5 MS. TSOCHLAS: And then it's transmitted  
6 as well to the company.

7 SPECIAL MASTER BUNDY: Right.

8 MS. TSOCHLAS: The printouts that are  
9 generated by the chief engineer when pressing  
10 the button are not transmitted to the  
11 company.

12 SPECIAL MASTER BUNDY: And the system  
13 doesn't have the capability of doing that? I  
14 mean, if a chief engineer wanted to transmit  
15 it to you, could he?

16 MS. TSOCHLAS: No, the system doesn't  
17 have that capability, but we could go back to  
18 Vigilant and ask -- that's what Mr. Chalos  
19 mentioned earlier as one of the solutions.

20 SPECIAL MASTER BUNDY: That would seem  
21 to me to be the perfect solution.

22 MR. WIGGER: Yeah, when he presses the  
23 button, it goes.

24 SPECIAL MASTER BUNDY: It goes. And it  
25 maintains -- well, a solution.

1           And so, what Captain Joshi suggested as  
2 well is why not have a form where instead of  
3 just looking at them, the chief engineer will  
4 copy them down on the form so that anybody  
5 coming afterwards, whether it's the auditor,  
6 port state control, anybody could look at it  
7 and see what it says.

8           MS. TSOCHLAS: Exactly.

9           MR. WIGGER: By having a check mark, you  
10 actually have the data on the form and you  
11 could look at it, and from an auditor's  
12 perspective, it just simplifies things.

13           SPECIAL MASTER BUNDY: Right now, the  
14 chief officer writes, yes, I did compare them  
15 but doesn't write it down.

16           MR. CHALOS: The record does exist if  
17 the auditor wants to look at the record, but  
18 he'd have to go through this tape to get to  
19 the date.

20           SPECIAL MASTER BUNDY: Right.

21           MR. WIGGER: And he's only -- and his  
22 records was, you know, and you ought to  
23 consider this, but he didn't -- it's not a --

24           SPECIAL MASTER BUNDY: And ENV023 form,  
25 is that checklist?

1 MR. WIGGER: Yeah, and it was  
2 erroneously put in as 024. I think there  
3 were some revisions on the forms at one time.  
4 Maybe 24 used to be 23, somehow we did get  
5 confused.

6 MS. TSOCHLAS: We never had a 24 form.

7 SPECIAL MASTER BUNDY: Okay. I think I  
8 understand the situation.

9 And that checklist was developed by  
10 Vigilant Marine, that was their suggestion?

11 MS. TSOCHLAS: We developed the  
12 checklist based on the guidelines provided by  
13 Vigilant Marine. Vigilant Marine provided us  
14 with what has to be checked on a daily basis,  
15 weekly basis, and a monthly basis, and we  
16 developed the form accordingly.

17 SPECIAL MASTER BUNDY: Okay. Does that  
18 raise any questions?

19 MR. O'CONNELL: No.

20 SPECIAL MASTER BUNDY: Number six, or  
21 recommendation number six, that has to do  
22 with -- I think we covered that.

23 MS. TSOCHLAS: Yeah, I think we  
24 discussed that earlier.

25 MR. WIGGER: And, of course, the last